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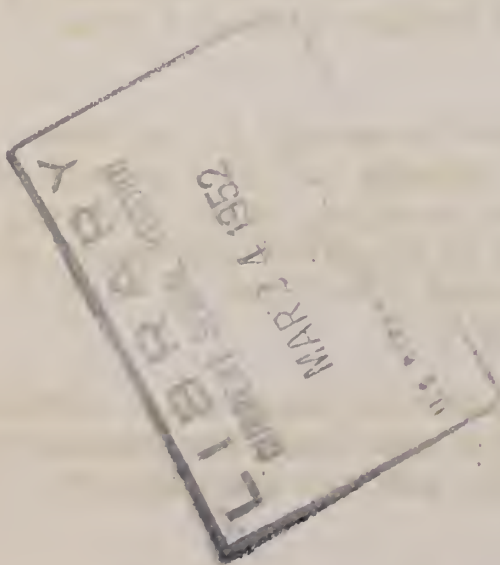
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THE Demand and Price SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

WASHINGTON, D. C.



MARCH 1952

Approved by the Outlook and Situation Board, April 1, 1952

SUMMARY

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Prices in general continued to drift downward from January to March as moderate gains for metals and many metal products only partly offset lower average prices for farm and food products and raw materials. The index of 28 basic commodities in late March was off 8 percent from early January. Prices received by farmers averaged 4 percent lower in mid-March than in January. But with prices paid by farmers for commodities, interest, taxes and wages continuing at record levels, the parity ratio declined from 105 in January to 100 in February where it remained in March. Retail prices were also off a little from January to February after a virtually unbroken two-year rise.

This widespread easing in prices reflects relatively large supplies of many products and prospective increased supplies of durable goods, especially for consumer use, as well as some softening in both consumer and business demand accompanying a slower rate of defense expansion than previously indicated. Farm marketings of food

and fiber in the first quarter were running about 5 percent larger than last year. Indicated crop production based on average yields and farmers' intentions to plant combined with estimated output of livestock and products point to the largest total agricultural production on record. The supply situation for basic metals also appears to be improving as a result of increases in productive capacity, the scheduled slower rise in requirements for defense, and some inventory liquidation. The National Production Authority has recently allotted more metals for expanded production of most types of durable goods and for many types of construction.

ECONOMIC FACTORS AFFECTING AGRICULTURE

Item	Unit or base period	1951				1952	
		Year	Feb.	Nov.	Dec.	Jan.	Feb.
Industrial production <u>1/</u>							
Total.....	1935-39=100	220	221	219	219	220	222
All manufactures.....	do.	229	232	228	228	230	232
Durable goods.....	do.	273	271	277	282	281	284
Nondurable goods.....	do.	194	201	188	185	189	190
Minerals.....	do.	164	158	170	163	167	166
Construction activity <u>1/</u>							
Contracts, total.....	1935-39=100	556	563	507	540	523	
Contracts, residential.....	do.	691	762	596	588	578	
Wholesale prices <u>2/</u> #							
All commodities.....	1947-49=100	115	116	114	114	113	113
All commodities except farm and food.....	do.	116	117	114	115	114	114
Farm products.....	do.	113	117	112	111	110	108
Processed foods.....	do.	111	113	111	111	110	110
Prices received and paid by farmers <u>3/</u>							
Prices received, all products.....	1910-11=100	302	313	301	305	300	289
Prices paid, interest, taxes and wage rates.....	do.	281	276	284	284	287	288
Parity ratio.....	do.	107	113	106	107	105	100
Consumers' price <u>2/</u> <u>4/</u>							
Total.....	1935-39=100	186	184	189	189	189	188
Food.....	do.	227	226	231	232	232	228
Nonfood.....	do.	164	162	166	167	167	167
Income							
Nonagricultural payments <u>5/</u> ...	Bil. dol.	229.4	222.9	234.8	235.9	235.5	
Income of industrial workers <u>3/</u> ...	1935-39=100	427e	419	426	435		
Production worker pay rolls <u>2/</u> #...	1947-49=100	129e	128	130	133	131	
Weekly earnings of factory workers <u>2/</u>							
All manufacturing.....	Dollars	64.93	63.84	65.81	67.36	67.08	66.83
Durable goods.....	do.	69.97	68.18	70.84	72.63	72.28	72.02
Nondurable goods.....	do.	58.61	58.32	59.04	60.45	60.04	60.04
Employment							
Total civilian <u>6/</u>	Millions	61.0	58.9	61.3	61.0	59.7	59.8
Nonagricultural <u>6/</u>	do.	54.0	53.0	54.3	54.6	53.5	53.7
Agricultural <u>6/</u>	do.	7.0	5.9	7.0	6.4	6.2	6.1
Government finance (Federal) <u>7/</u>							
Income, cash operating.....	Mil. dol.	4,945	4,877	4,293	5,642	5,183	
Outgo, cash operating.....	do.	4,836	3,522	5,642	5,621	5,473	
Net cash operating income or outgo.....	do.	+ 109	+1,356	-1,348	+ 21	- 290	

Annual data for the years 1929-49 appear on page 32 of the April 1951 issue of The Demand and Price Situation. Annual data for 1950 appear in the January 1952 issue.

^{1/} Federal Reserve Board, construction activity converted to 1935-39 base. ^{2/} U. S. Department of Labor, Bureau of Labor Statistics. ^{3/} U. S. Department of Agriculture, Bureau of Agricultural Economics; to convert prices received and prices paid, interest, taxes, and wage rates to the 1935-39 base, multiply by .93110 and .79872 respectively. ^{4/} Consumers' price index for moderate-income families in large cities. ^{5/} U. S. Department of Commerce revised figures, seasonally adjusted at annual rates. ^{6/} U. S. Department of Commerce, Bureau of the Census. ^{7/} U. S. Department of Treasury. Data for 1951 are on average monthly basis.

Revised series. e Estimated.

Despite some weakness in prices, underlying economic conditions are strong. Industrial production was up a little from January to February and employment remained virtually unchanged. Personal incomes continued near the high level of recent months. The defense program is still expanding. Available information for the first part of the quarter indicates that national security spending may be up approximately 4 billion dollars from the annual rate of 44 billion in the fourth quarter. Evidently business investment also rose, according to surveys of plans for capital expansion, and indications are that new construction expenditures averaged around 5 percent above the fourth quarter.

Apparently rising incomes are resulting in some increase in consumer buying. Retail sales after adjustment for seasonal differences have picked up a little and for January and February averaged 2 to 3 percent above the fourth quarter. With prospects for higher wage rates in the steel industry and some other major industries, consumer incomes are expected to continue to rise. But because of slackness in some industries, particularly those producing nondurable goods, wage increases this spring may not be as general as a year earlier.

Commodity Highlights

Meat production in the first quarter of 1952 was substantially above a year earlier and for the rest of the year probably will total larger than in the same period in 1951. Demand for most dairy products continues strong and prices for the rest of 1952 probably will be equal to or above those of 1951. Egg production, up about 9 percent from the first 2 months of last year, is nearing its seasonal peak. The spring price decline has about run its course, but prices are expected to continue below 1951 levels. Prices of vegetable oils have been adjusting downward and domestic disappearance of food fats this spring and summer probably will be greater than in 1951. Demand for feed is expected to continue strong over the next several months. However, relatively unfavorable product-feed price ratios for hog and poultry producers and prospects for a smaller 1952 pig crop may tend to weaken demand later in the year. Disappearance of wheat in 1951-52 is now expected to total about 1,155 million bushels, the largest since 1948, mainly due to increased exports. Grower prices for the remaining relatively small stocks of apples and pears are expected to increase somewhat during April and May. Stocks of canned vegetables are appreciably larger than a year earlier and prices of truck crops for processing are expected to average somewhat lower than in 1951. Farmers intentions to plant as of early March indicated a slightly smaller acreage of potatoes this year than last, but with average yields, production may be somewhat larger. 1951-crop sweetpotatoes will continue scarce and high priced. Planting intentions suggest an increase this year over last. If the indicated reduction in the 1952 crop of dry beans materializes, production may fall short of expected total demand. Disappearance of cotton in the United States during the 1951-52 marketing year probably will total around 15.5 million bales and the indicated carry-over in August 1952 may be the smallest in 26 years. January consumption of apparel wool by domestic mills was at a weekly rate of 5.8 million pounds, scoured basis, the lowest

since early 1949. Farmers intentions to plant as of early March indicated slightly larger acreage for flue-cured and Burley tobacco, the major kinds used in the manufacture of cigarettes.

OUTPUT AND EMPLOYMENT

The Federal Reserve Board's seasonally adjusted index of industrial output of factories and mines, at 222 percent of the 1935-39 average in February, was up 2 points from January, the highest level since May 1951. The February rate is 1 point above a year ago and 2 points above the average for 1951. Compared with a year ago, the lower rate of nondurable goods output was more than offset by a 5-percent rise in the rate of production for both durable manufactures and minerals. Production of consumer durable goods in February was up nearly 10 percent from the previous month but continued about one-third lower than a year earlier. This substantial reduction in consumer durables was more than offset by rising output of durable goods for use in defense and capital expansion programs.

A 3-point rise in the index of durable manufactures to 284 in February was attributed primarily to an increase in automobile output as production of new models got underway. Steel production continued to expand in March, and weekly data on automobile production suggested a larger output for March than in the previous month. Passenger car output for the first quarter may be a little short of the authorized limit of slightly more than 1 million units. In this connection, the basic metal supply picture has apparently changed substantially in recent months largely as a result of the steady rise in productive capacity and the reduced rate of build up in the defense program. The National Production Authority has recently made more steel available provided it can be used without additional allotments of copper and aluminum. Released supplies and reduced takings of aluminum and copper by defense producers has permitted NPA to increase allotments of controlled materials in the second quarter for production of passenger automobiles, commercial trucks, freight cars, and locomotives. Recent information also indicates that third-quarter allotments will be larger for most civilian goods including farm machinery and equipment. This easing in basic metals supply, however, does not assure substantial increases in output of consumer durables in coming months. Supplies of copper, in particular, are still relatively short. Although second quarter allotments of basic metals have been increased a little for many civilian-type goods, they are still relatively small. Moreover, there is some question as to how many more consumer durables the market will take at prevailing prices. Several manufacturers have announced lower prices for refrigerators and other appliances which suggests a slow consumer demand for such goods.

Nondurable goods output in February was up slightly to 190, about 5 percent below the peak reached in the same month of 1951, but nearly 3 percent above the recent low in December. Although sales of nondurables have picked up a little, inventories apparently are still being worked off in some lines. Recently there has been some increase in textile mill activity as well as a pick up in manufacturers' sales of apparel.

The index of minerals output in February, at 166 percent of the 1935-39 average, was off 1 point from January as a 10-percent drop in coal production more than offset a rise in output of crude petroleum. Production of minerals in February was about 5 percent above a year earlier.

Manufacturers' business showed a general improvement in January. Deliveries were up 8 percent from December to a total of nearly 23 billion dollars after seasonal adjustment. This was almost 2 percent above the level of January 1951 and about 2 percent below the peak in May last year. Reflecting largely the flow of defense goods from production lines, manufacturers' sales of durable goods in January were up 13 percent over December and 10 percent above January a year earlier. Deliveries of fabricated metals, nonelectrical machinery and motor vehicle industries also reached new highs in January reflecting some recovery in consumer durables as well as expansion in defense goods and producers' durables. Shipments by nondurable goods industries, up 4 percent from December, were still 5 percent below the high last January. Seasonally adjusted sales of the paper, apparel, and printing and publishing industries gained more than 10 percent from December and were higher than at any time during the last quarter.

New orders for hard goods this January rose sharply and a small increase was also noted for nondurables, but total new business, at 22.6 billion dollars, was one-fifth below the amount received in the same month of last year. New orders for durable goods exceeded unadjusted sales in January, and unfilled orders for these products were up about 400 million dollars to 57.6 billion which was nearly 45 percent greater than last January. Order backlogs for soft goods continued to decline, however, and at 4 billion were one-third smaller than a year earlier.

Manufacturers' inventories were virtually unchanged from December to January after adjustment for seasonal differences. Stocks of hard goods, finished or in process, at a point 35 percent above January 1951, had all but halted the rise which has been going on since July 1950. Inventories of nondurable goods ended the month about 1 percent lower than the previous month, but were still about 11 percent higher than January last year.

Wholesalers' sales in January showed a 4 percent rise from the previous month after adjustment for seasonal variations. Electrical goods and automotive products in the durable goods group and paper, drugs and tobacco in the nondurable group scored the largest gains, while sales of apparel and dry goods were down 3 percent. Total wholesale inventories declined slightly during the month as a rise in distributors' stocks of hard goods was more than offset by reduced inventories of nondurables.

Expenditures for new construction totaled almost 2 billion dollars in February, declining seasonally from January by 7 percent. A drop in highway work, normal for this time of year, was accompanied by smaller declines in public industrial and military facilities construction. As a result, public construction expenditures in February were off 9 percent

and outlays for private construction were down by only 6 percent which is less than usual for this period. Private industrial building alone increased in February, reflecting continued defense expansion in several basic industries. And outlays for nonfarm residential building fell less than usual, mainly because housing starts were up 10 percent in January. The total dollar volume of work put in place during the first two months of this year was about equal to expenditures during the same period last year, but the composition has changed greatly. Paced by large percentage increases in industrial and military construction and in public housing, outlays for public construction are running almost one-third higher than last year. While private construction expenditures as a whole are only about 8 percent below the year-ago level, residential and commercial building are down 20 and 35 percent, more than offsetting a 53 percent higher rate of expenditures for private industrial construction.

In coming months the improved supply situation for structural steel will influence the amount and types of construction. Allotments for the second quarter indicate that enough steel will be available to assure completion of all projects already started while first quarter allotments could only take care of projects 20 percent or more complete. In early March NFA announced approval of 105 applications for new commercial construction projects in 6 so-called employment hardship areas. Restrictions on the building of new religious, municipal, community and industrial facilities have been eased for the third quarter.

Reflecting the generally improved supply situation builders started 77,000 new nonfarm dwellings in February, an increase of 13 percent from January. Preliminary reports on building permits indicate a further strong upturn in housing starts during March. New starts a year ago totaled 80,600 and 82,900 new units were started in February 1950. With prospects for increased supplies of basic metals and a relaxation of controls on new construction, housing starts in 1952 are expected to exceed the estimate of some 850,000 units needed to maintain present housing standards. Approximately 1.1 million units were built in 1951.

The civilian labor force, employment and unemployment, adjusted for seasonal variations, have remained virtually stable over the last 5 months. The civilian labor force, at 61.8 million in February, was about the same as the previous month. The number of people at work in February, virtually unchanged from January, was at an all-time record for the month. Unemployment at 2.1 million was the lowest recorded for the month of February since the end of World War II and represented 3.4 percent of the civilian labor force compared with 3.9 a year earlier. Agricultural employment continued at a seasonal low in February but after adjustment for seasonal variations, was about the same as in January. Nonfarm employment, though relatively unchanged from January to February, was at a level about 700,000 above a year earlier.

INCOME AND RELATED FACTORS

Declines in corporate dividend disbursements and farm income were mainly responsible for a drop of 1 billion dollars from December in monthly personal income payments to an annual rate of 257 billion in January, 5.5 percent above a year earlier. Wage and salary payments, which make up about two-thirds of personal income, were virtually unchanged from December as both employment and average weekly earnings remained steady. Pay rolls in private-industry were unchanged while a slight increase occurred in the Government sector due primarily to continued growth in the armed forces. Transfer payments were up one-half billion dollars to a 13-billion annual rate as unemployment insurance benefits increased. In January, too, initial payments by self-employed persons for Old Age and Survivors Insurance coverage reduced the income flow by about 400 million dollars on an annual rate basis.

Seasonally adjusted retail sales in February were 2 percent higher than January as a 6-percent increase for durable goods more than offset a minor drop in sales of nondurables. Retail sales in January and February, after seasonal adjustment, were running 2 to 3 percent above the average for the fourth quarter.

Although dollar sales of nondurables in February were up 2 percent from a year ago, sales of durable goods were down nearly 13 percent resulting in total retail sales about 3 percent lower this February than the near-record sales a year earlier. The gradual upward movement in average retail prices from a year ago suggests that the physical volume of retail sales declined somewhat more than the dollar volume.

Sales at department stores, after seasonal adjustment, declined in February for the third consecutive month. The Federal Reserve Board index (1947-49=100) was 105, compared with 108 in January, 109 in December, and 115 in February 1951. As in January, the weekly index during February was consistently below comparable weeks a year earlier. Sales for the week ending March 1 and March 8 were still running 15 and 16 percent below the same weeks a year ago. Last year, however, Easter was on March 25; while this year it will be on April 13, a factor which must be considered in year-ago comparisons.

Consumer instalment debt declined almost 200 million dollars during January to 13.3 billion, slightly above the level of January 1951. Automobile and other sale credit, the major components, declined 217 million, while loan credit advanced 24 million. Noninstalment credit outstanding dropped 367 million dollars over the month to 6.8 billion largely as a result of liquidation of charge accounts. Charge-account credit outstanding in January was about the same as a year earlier. All consumer credit outstanding totaled 20.1 billion dollars, a seasonal decline of 560 million from December. This compares with more than 19.9 billion on January 31, 1951.

COMMODITY PRICES

The level of wholesale prices for all commodities drifted slowly downward from early January to the latter part of March. This gradual decline reflected mixed price trends with largest reductions reported for agricultural products, raw industrial products and imported basic commodities. Gains were registered from January to February in prices of metals and metal products, machinery and a few other groups. The general index of spot market prices for 28 commodities dropped 8 percent from early January to late March. Both the imported and raw industrial commodity groups were down about 10 percent and average prices for agricultural products, based on a few selected commodities, were off 7 percent, while foodstuffs averaged nearly 4 percent lower over the period. Very large declines were registered for burlap, 35 percent; hides, 34 percent; tallow, 29 percent; wool, 25 percent; butter, 17 percent; and lard, 16 percent. Prices for print cloth, flaxseed, hogs, and barley ranged from 8 to 13 percent lower by the end of March than in early January. Heavy marketings of hogs contributed to a decline in prices at a time when they usually begin to rise seasonally. Most of the fibers and the fats, oils and seeds declined over the period. Corn and barley prices were also lower while wheat prices held relatively steady. Minor gains occurred for such commodities as coffee, silk and steers while metal prices in general were firm. Sugar price rose 7 percent over the period.

This rather widespread weakness in basic commodity prices probably reflects larger supplies of many of these products as well as some softening in market demand (both domestic and world demand) accompanying the slow up in the rate of defense expansion. Instead of buying for inventory, there apparently has been some liquidation of stocks as prices decline and supply prospects improve.

Average prices received by farmers were rather stable from mid-February to mid-March. The BAE index, at 288 percent of the 1910-14 average, was down one point from mid-February, as a 2-percent rise in prices received for crops offset only part of the more than 2-percent decline in livestock and livestock product prices. Fruit and "other vegetables" brought 5 percent more, food grains 1 percent more, cotton and oil-bearing crops declined 1 and 4 percent, while truck crops increased more than 20 percent. Beef prices remained unchanged, but other meat animals sold for somewhat less. Seasonal declines in most dairy products brought average prices for this group down 4 percent, and prices for the poultry-and-egg group averaged 2 percent lower. Wool prices continued to decline dropping 4 percent over the month.

Compared with a year ago, farm product prices averaged 7 percent lower this March. Crops brought 4 percent, and livestock and products, 10 percent less. Largest percentage declines have occurred in prices of wool, oil-bearing crops, cotton, and fruit. Meat animals were 13 percent, and poultry and eggs, 18 percent cheaper than 12 months earlier, while truck crops and tobacco prices were almost unchanged. The largest price increase over the year was in "other vegetables" (which includes potatoes and sweetpotatoes) --up 70 percent. Dairy products were also substantially higher, and food and feed grains and hay were bringing moderately more.

Table 1.- Daily index numbers and spot primary market prices for basic commodities
January to March 1952, with comparisons 1/

Item	1952				Percentage change from Jan. 3, to Mar. 28, 1952
	Jan. 3	Feb. 7	Mar. 6	Mar. 28	
Index numbers (Aug. 1939=100)					Percent
General index	327.5	317.7	305.4	300.2	- 8.3
Domestic agriculture	358.0	350.6	336.9	332.0	- 7.3
Foodstuffs	363.6	364.0	353.6	349.4	- 3.9
Imports	337.2	323.9	308.6	302.7	- 10.2
Raw industrial	318.0	305.7	291.9	286.8	- 9.8
Prices:	Dollars	Dollars	Dollars	Dollars	
Livestock, per cwt.	18.80	18.425	17.25	17.125	- 8.9
Hogs	34.75	35.125	34.625	35.125	+ 1.1
Steers					
Fibers and textile	.416	.415	.398	.411	- 1.2
Cotton, per lb.	2.14	1.96	1.74	1.61	- 24.8
Wool, per lb.	4.70	4.95	4.90	4.75	+ 1.1
Silk, per lb.	.272	.235	.172	.178	- 34.6
Burlap, per yd.	.160	.150	.148	.145	- 9.4
Print cloth, per yd.					
Fats, oils and seed					
Butter, per lb.	.835	.831	.751	.694	- 16.9
Lard, per lb.	.141	.140	.12	.119	- 15.6
Cottonseed oil, per lb.	.152	.146	.146	.139	- 8.6
Flaxseed, per bu.	4.54	4.24	4.14	3.94	- 13.2
Tallow, per lb.	.072	.058	.055	.051	- 29.2
Grains, per bu.					
Barley	1.545	1.510	1.500	1.395	- 9.7
Corn	1.885	1.845	1.795	1.815	- 3.7
Wheat, K. C.	2.505	2.500	2.482	2.500	- .2
Miscellaneous					
Hides, per lb.	.260	.185	.170	.172	- 33.8
Sugar, per 100 lb.	5.92	5.90	6.00	6.350	+ 7.3
Rubber, per lb.	.520	.505	.505	.505	- 2.9
Coffee, per lb.	.542	.550	.542	.545	+ .6

1/ Based on "Daily Index Numbers and Spot Primary Market Prices for 28 Commodities," Bureau of Labor Statistics.

Table 2.- Group indexes of prices received by farmers, March 15, 1952
with comparisons

Group	(1910-14=100)				March 15, 1952		March 15, 1952 percentage change from Mar. 15, 1951
	Mar. 15, 1952	Feb. 15, 1952	Mar. 15, 1951	Feb. 15, 1952	Mar. 15, 1951		
Food grains	251	249	245	+	1	+ 2	
Feed grains and hay	229	230	221		1/	+ 4	
Cotton	309	313	359	-	1	- 14	
Tobacco	435	436	437		1/	1/	
Oil-bearing crops	284	296	386	-	4	- 26	
Fruit	176	168	202	+	5	- 13	
Truck crops	265	217	265	+	22	0	
Other vegetables	295	281	174	+	5	+ 70	
All crops	265	259	276	+	2	- 4	
Meat animals	372	377	428		1	- 13	
Dairy products	305	317	280	-	4	+ 9	
Poultry and Eggs	177	181	217	-	2	- 18	
Wool	298	310	669	-	4	- 55	
Livestock and products	310	317	343	-	2	- 10	
Crops and livestock and products	288	289	311		1/	- 7	

1/ Less than 0.5 percent decrease,

Prices paid by farmers for commodities used in family living were unchanged from mid-February to mid-March at 271 percent of the 1910-14 average. Lower prices for clothing, food, and auto supplies were offset by moderate increases in prices of building materials and housefurnishings. The index of prices paid for production goods was also steady over the month as divergent price movements were largely offsetting. Price reductions for feeder livestock, feed and motor supplies were offset by increases in prices of fertilizer, tractors, and building and fencing materials. Average prices paid by farmers including interest, taxes and farm wage rates (the parity index) continued at a record level, 288 percent of the 1910-14 average. The parity ratio (index of prices received by farmers divided by the parity index) was 100 in mid-March, the same as in February and 11 points below a year earlier.

The consumers' price index for moderate-income urban families, as estimated by the Bureau of Labor Statistics, turned down in February ending a virtually unbroken two-year rise. The drop of 0.6 percent from January to February was due largely to a 2-percent fall in retail food prices and smaller declines for clothing and house furnishings. At 187.9 percent of the 1935-39 average, the index is 2.2 percent above a year earlier even though wholesale prices in general have been drifting downward for most of the past year.

FARM-RETAIL PRICE SPREADS 1/

The farmers's share of the dollar that consumers spent for domestic farm foods in February is estimated at 49 cents, or 2 cents below a year earlier. This estimate of the farmer's share is based upon a comparison of the estimated retail cost of a market basket of farm foods with the net farm value of equivalent quantities of farm produce. Quantities of farm foods included in the market basket are equal to the average annual purchases per family of three during 1935-39. Average expenditure for all foods per family is currently at a higher level than the retail cost of the market-basket foods because the market basket does not include imported and nonfarm foods such as fishery products or food consumed on farms where produced. Moreover, it does not reflect the higher postwar level of food consumption nor does it allow for service costs on meals purchased in restaurants.

The retail cost of the market basket in February was the same as a year earlier. A decrease of about 5 percent in the farm value of the market-basket foods was offset by a 5-percent increase in charges for marketing them.

1/ For farm-retail price spreads data for earlier periods and for individual commodities and commodity groups, see The Marketing and Transportation Situation.

The farm-food market basket: 1/ Retail cost, farm value, marketing charges, and farmer's share of consumer's dollar, January and February 1952, January and February 1951, and 1951 annual average

Year and month	Retail cost <u>2/</u>	Farm value <u>3/</u>	Marketing charges <u>4/</u>	Farmer's share
	Dollars	Dollars	Dollars	Percent
1951.....	722	361	361	50
1951 - Jan.....	709	353	355	50
Feb.....	726	371	355	51
1952 - Jan.....	745	359	386	48
Feb.....	726	354	371	49

1/ Average annual quantities of farm foods purchased per family of three average consumers, 1935-39.

2/ Calculated from retail prices collected by the Bureau of Labor Statistics and the Bureau of Agricultural Economics.

3/ Payments to farmers for equivalent quantities of farm produce minus imputed value of byproducts obtained in processing.

4/ Marketing charges equal margin (differences between retail cost and farm value) minus processor taxes plus Government payments to marketing agencies.

FARM INCOME

Farmers received around 2 billion dollars from marketings in March, about the same as in February and March 1951. Prices of farm products averaged nearly the same as in February but 7 percent below a year ago.

March receipts from livestock and products were about 1.4 billion dollars, 6 percent less than last March but 2 percent more than in February of this year. Prices of meat animals averaged 13 percent lower than a year ago, and receipts from meat animals were down about 9 percent. Higher prices accounted for an increase of 4 percent in dairy receipts over March 1951, but seasonally larger marketings were responsible for a gain of 15 percent over February. Poultry receipts in March were down from a year ago as lower prices more than offset increased sales of broilers and turkeys. Compared with the previous month, seasonally larger marketings of eggs brought poultry receipts up 10 percent.

Crop receipts in March were about 0.6 billion dollars, 20 percent above March 1951 but 2 percent below February. Receipts from truck crops, cotton, potatoes, and sorghum grain were considerably higher than a year ago.

Total cash receipts in the first 3 months of 1952 were 6.7 billion dollars, 4 percent above the corresponding period last year in spite of an average decline of 5 percent in prices. Receipts from livestock and products, totaling 4.3 billion dollars, were slightly below last year because of smaller receipts from meat animals. Crop receipts for the first quarter, estimated at 2.4 billion dollars, were 16 percent above the comparable period last year. Receipts from cotton, potatoes, truck crops, soybeans, and wheat were substantially larger than last year, but corn and oranges were down.

LIVESTOCK AND MEAT

In the first three months of 1952 total meat production was substantially above a year earlier. Pork output continued high, providing most of the increase, though production of beef and lamb also exceeded last year.

With output of beef continuing above last year, total meat production for the rest of 1952 probably will exceed the same period of 1951. The percentage gain over last year will be rather large this spring but smaller later. Consumption of all meat per person for 1952 will likely total 2 to 3 pounds more than the 138 pounds in 1951. Numbers of cattle and calves on farms this January were a record 88 million, and numbers of sheep and hogs were up from the previous January. However, the expected reduction in the spring pig crop will result in a smaller slaughter of hogs this fall than last. Slaughter of both grass cattle and fed cattle in 1952 is expected to exceed 1951. Slaughter of sheep and lambs is likely to be up slightly.

Prices for most meat animals have been lower this winter than last. The last week in March, prices at Chicago for corn belt beef steers averaged about \$2.88 per hundred pounds lower than a year earlier, barrows and gilts \$5.16 lower and slaughter lambs around \$13.00 lower. Only calves were about equal to last March. The larger slaughter supplies of meat animals account for most of the difference in prices. Also a factor in the big holding of meat in cold storage -- the second largest since 1920. Consumer demand for meat may not be quite so strong and prices of by-products are down from last year.

Prices of most or all classes of meat animals may average a little lower this year than last. Nevertheless, no marked weakness is likely. Prices of hogs may move upward for the next several months and prices of cattle to go on grass may rise seasonally this spring. Some seasonal reduction may occur in prices of fed cattle this spring to be followed by an increase later.

DAIRY PRODUCTS

Demand for dairy products continues strong. In late March, prices for all items were equal to, or higher than, a year earlier, with the increases ranging up to 8 percent for nonfat dry milk. Since supplies of milk may be a little smaller this year than last, the prospective high level of demand probably will keep prices equal to or above those of 1951.

A sharp decline occurred in butter prices in late February and early March following seasonal increases in production of butter, some decline in retail sales and prospects for further price declines. Wholesale butter prices had risen contraseasonally to near-record levels in the latter part of February as a result of a virtual depletion of storage reserves and very low current production. Prices for milk, cream and most of the other dairy products have continued steady since late February. The only exception is nonfat dry milk, which increased slightly.

Prices for milk used in city distribution have increased slightly since December; usually they decline 3 percent from December to March. Consumption of fluid milk is running a little larger than a year earlier, and retail prices are averaging 7 percent higher. The effect of the increase in retail prices has been about offset by the expansion in incomes during the past 12 months.

Dairy products are one of the few major groups of farm products for which prices received by farmers are averaging higher than a year ago. In March, farmers received \$4.95 per hundredweight for all milk sold to plants and dealers, 103 percent of parity, compared to \$4.54 in March last year. The March price for butterfat was 77.8 cents per pound, 100 percent of parity, compared to 69.7 cents in March last year. In relation to feed prices, dairy product prices were about equal to the long-time average.

Milk production on farms so far has been below the daily rate of a year earlier. This reflects 1 percent fewer cows at the beginning of the year and a lower rate per cow indicated as of March 1. For 1952 as a whole, any change in milk production will likely be downward.

Total consumption of fluid milk probably will continue larger than last year, leaving substantially less milk for manufacturing than in 1951. Butter production probably will continue to contract as a result, and the per capita rate of butter consumption will decline to a new record low. Supplies of materials used in making margarine are large and margarine prices will continue relatively low. Butter prices will continue higher than a year earlier.

POULTRY AND EGGS

Prices received by farmers for eggs in mid-March averaged 33.9 cents per dozen, slightly lower than the month before and still sharply below a year earlier. Production is near its seasonal peak and the spring price decline probably has about run its course. Prices, however, are likely to continue below 1951 levels.

Egg production for the first two months of 1952 was almost 9 percent above the same period of 1951. Monthly output will continue to exceed 1951 levels until about the end of the year, but by considerably smaller percentages than have been recorded so far.

Movement of shell and frozen eggs into storage in March was heavy. Late in the month, holdings in the 35 principal cities were larger than last year's stocks at a date considerably later in the season, and were 11 percent above 5-year average stocks for the corresponding date. At

this season's peak, shell stocks are likely to be considerably larger than the 1951 peak, and holdings of frozen egg will likely be at least as large as the 1951 stocks.

With the likelihood that the seasonal decline in egg prices is about ended and with the prospect for little change in feed prices, the egg-feed price ratio during the next quarter probably will average no lower than in February and March. The ratio has been below average for 6 months. In February and again in March it was the lowest on record for the month.

Consumer demand for eggs in the rest of 1952 is not likely to be much different from 1951. After mid-year, when demand for current consumption will replace storage demand as the major price-making factor, production will not greatly exceed 1951 levels. Late in the year, prices are likely to be closer to those of a year before than they were in the first quarter, when prices averaged 15 percent below a year earlier.

Hatchery output for January and February, and indications for March, suggest that more chicks were hatched for laying flock replacement than in the corresponding months of 1951. As of about February 1, however, farmers reported that they intended to raise 10 percent fewer chickens for laying flock replacement. These intentions are consistent with adjustments made in previous seasons when the egg-feed price ratio was sharply lower than in the hatching season immediately prior.

Most poultry prices in mid-March were below their January levels. Large placements of broiler chicks are continuing, and June marketings will be a record. February withdrawals of turkeys and fowl from storage were only two-thirds as large as in the same month last year.

FATS, OILS AND OILSEED

Supplies of edible vegetable oils have been large in relation to market demand, and prices have been adjusting downward. Prices in March were at a level substantially below a year earlier but near that of two years ago. Lard prices also have declined but the rate of decline has been retarded by unusually large exports. Exports of lard in the period October 1951 to January 1952 totaled 285 million pounds, more than double the amount the year before. Supplies of lard have been about 10 percent greater than a year ago. Butter prices broke sharply in March as production increased seasonally and stocks tended to accumulate in distribution channels because of high prices.

Domestic disappearance of food fats this spring and summer probably will be greater than in 1951, when consumers and dealers apparently utilized unreported inventories accumulated in the latter part of 1951 and early in 1952. Exports this spring and summer are expected to be somewhat smaller than the large exports for the corresponding period last year. Total stocks of edible fats and oils on September 30, 1952, the end of the present crop year, probably will be substantially higher than the 590 million pounds reported for the same date in 1951.

Prices of soap fats continued to show weakness as supplies are relatively large and movement into domestic consumption channels has been slow. Compared with a year earlier, some increase in domestic disappearance is expected in the late spring and summer. Prices of linseed oil continued to decline in March, reflecting ample supplies and a slow market demand. This tended to depress prices of other drying oils.

Production of lard and greases is likely to decline, reflecting a decrease in hog slaughter. The 1952 spring pig crop is expected to be about 9 percent smaller than the year before and a decline is expected in the 1952 fall pig crop. These pig crops will provide most of the hogs slaughtered in 1952-53. Butter production may be smaller, reflecting mainly a diversion of milk to whole milk products. A rising trend in cattle slaughter is in prospect and indicates an increase in output of tallow.

Based on farmers' planting intentions about March 1, the U. S. Department of Agriculture's production guide for cotton and average weather conditions, another record or near-record output of edible vegetable oils appears to be in prospect for 1952-53. Total 1952 acreage of soybeans, peanuts and the production goal for cotton is slightly greater than in the preceding year.

March 1 intentions for flaxseed indicate a decline of about 180 thousand acres or around 4 percent. However, with average yields, production would be slightly greater than in 1951, since yields last year were reduced by unfavorable weather.

CORN AND OTHER FEEDS

Feed grain prices remained near the February level during March, and were only slightly higher than in March 1951. Prices of the four major feed grains have been above Government supports in recent months, and farmers have placed much smaller quantities of their 1951 crops under loan or purchase agreement than in the 3 preceding years. Byproduct feeds also remained near the February level, although prices of some have declined since early February, notably alfalfa meal, tankage, and meat scraps. Prices of oilseed meals and a number of the other high-protein feeds remain at the ceilings. The index of wholesale prices of high-protein feeds for March was 9 percent higher than a year earlier.

Demand for feed is expected to continue generally strong over the next several months. Relatively unfavorable product-feed price ratios for hog and poultry producers and prospects for a smaller 1952 spring pig crop, however, may tend to weaken demand later in the year. Prospects for 1952 crops will have an important bearing on feed grain prices later this spring and through the summer.

Based on farmers' planting intentions on March 1, the total feed grain acreage this year will be slightly smaller than in 1951. Farmers planned to plant about the same acreage of corn and to increase the oats acreage about 3 percent. Intended acreage of barley and sorghums, however, are about one-tenth smaller than in 1951. With average yields of recent years the 1952 production of feed grains would total nearly 121 million

tons, 6 percent larger than in 1951. However, the carry-over of feed grains into 1952-53 is expected to be considerably smaller than last year. These early indications point to a total supply slightly smaller than in 1951-52.

Market receipts of corn so far this season have been smaller than in the same period of 1950-51, reflecting smaller production in the Corn Belt, lower quality of the crop, and some increase in livestock feeding. During December-February only about one-third of the corn sold at 5 principal midwestern markets graded No. 4 or better, a much smaller percentage than average for these months. Soft corn has been a major problem this year in the Western Corn Belt, and farmers are making every effort to dispose of low quality corn before warm weather increases the danger of spoilage.

Based on conditions in March, the 1952 Argentine corn crop (to be harvested this spring) is expected to be around 140 million bushels, less than one-half of the prewar average, but about 37 million bushels larger than in 1951. Another small corn crop in Argentina will help maintain fairly large exports of U. S. corn for at least another year. Total exports in the 1952 calendar year, however, probably will be smaller than in 1951.

WHEAT

Cash wheat prices may continue at about present levels or slightly higher for the next several weeks. Biggest uncertainties during the next few months continue to be the weather and export demand. The market withstood bearish pressure resulting from generous and widespread rain over most of the winter wheat belt during March. Small harvests in Argentina and Australia will favor exports from the United States, but, with large quantities of wheat in export positions, Canada will be offering increased competition. Weather conditions are expected to permit an early start of lake transportation, and Canada has recently made some price reductions for sales outside the Agreement. Sales of U. S. wheat under the International Wheat Agreement through March totaled 248 million bushels out of a total quota of 255 million. Sales of U. S. wheat for export outside the Agreement are being made at about 65 cents above the maximum Agreement price.

Prices received by farmers for wheat in mid-March averaged \$2.20 per bushel, 2 cents above the loan on the 1951 crop, 2 cents above the price a month earlier, and 8 cents above a year earlier. On April 1, the price of No. 2 Hard Winter, ordinary protein, in Kansas City was \$2.49, which was 3 cents above a month earlier, 22 cents above the low reached on July 25, 1951, and 9 cents below the season's high reached on December 10. The price at both Kansas City and St. Louis, was about 5 cents above the loan, which approximates accrued charges. Prices at Portland were about 12 cents above the loan level, but those at Minneapolis were about 4 cents below.

Disappearance of wheat in 1951-52 is now expected to total about 1,155 million bushels, the largest since 1948. Domestic disappearance probably will be about the same as the 696 million a year earlier and exports may total about 450 million, compared with 366 million in 1950-51. Of an estimated 270-bushel carry-over on July 1, 1952, the Commodity Credit Corporation may own between 135 and 160 million bushels. The remaining free wheat would be sufficient for domestic and export needs until the new crop is available.

Reports of growers' intentions to plant, as of March 1, indicate an all-spring wheat acreage of 22.0 million acres. This is 1 percent less than in 1951, but 17 percent more than the 10-year average. A total of 78.3 million acres of all wheat is indicated by combining the prospective acreage of all spring wheat with the seeded acreage of winter wheat as estimated last December. This exceeds the goal of 77.9 million acres, and is slightly above the 78.1 million acres seeded for the 1951 crop.

Production of all spring wheat may total about 307 million bushels, if the intended acreage is seeded and yields per seeded acre equal the 1946-50 average. This, plus the winter wheat crop, as estimated last December, would give a total of 1,225 million bushels of all wheat in 1952, compared with 987 million in 1951 and 1,185 million for the 1946-50 average. This production along with a carry-over estimated at about 270 million bushels, and imports of possibly 40 million bushels, indicates total supplies for 1952-53 of about 1,535 million bushels. Estimated domestic disappearance of about 735 million bushels and exports of about 375 million bushels would leave approximately 425 million for carry-over July 1, 1953. This is above both the 1941-50 average of 334 million bushels and the July 1, 1951 figure of 396 million.

FRUIT

Grower prices for the remaining relatively small stocks of apples and pears are expected to increase somewhat during April and May. But little change seems likely in prices for citrus fruits, of which remaining supplies are moderately larger than a year ago. Compared with April and May of 1951, prices for apples and pears are expected to continue moderately higher, and those for citrus fruits somewhat lower.

Cold storage holdings of apples on February 29, 1952, were only little more than half the record stocks at the end of February 1951 and about one-fourth under the 1947-51 average for February. Even though supplies of fresh apples are expected to continue smaller than usual this spring, large supplies of canned apples and applesauce will continue to be available. Packers' stocks of canned apples and applesauce combined were only 8 percent smaller on February 1, 1952, than the record stocks a year earlier. Of the stocks held by packers on February 1, 1952, about 17 percent were moved into the distributive trade during February leaving relatively large supplies on hand March 1. Approximately 2.8 million boxes of apples had been declared for export by March 29 under the export-payment program for 1951-crop apples, which terminated March 31, 1952. Stocks of pears in cold storage February 29, 1952, were less than half the near-average holdings a year earlier.

Supplies of oranges and grapefruit remaining to be marketed after March 1, 1952 were each somewhat larger than those on that date in 1951, while supplies of lemons were about the same. Export-payment programs were in operation for the three principal citrus fruits. The program for grapefruit became effective March 5, 1952. In Florida, considerably more oranges and grapefruit had been shipped to fresh markets by March 29, 1952, than

a year earlier. Considerably more oranges, but substantially less grapefruit, had been processed. Output of frozen orange concentrate was more than half again as large, but that of the major canned juices was considerably smaller. Also in Florida, packers' stocks of canned citrus juices were about the same as on March 15, 1951. Cold storage stocks of frozen orange juice, mostly from Florida oranges, were nearly twice as large on February 29, 1952, as a year earlier.

Supplies of fresh strawberries during early spring are expected to be considerably smaller than a year earlier, and prices probably will be somewhat higher. Acreage for harvest in mid-spring is about 8 percent smaller than the mid-spring acreage of 1951. Although cold-storage holdings of frozen strawberries on February 29, 1952 were about 8 percent smaller than stocks a year earlier, they were 49 percent larger than the 1947-51 average for the end of February. Total cold storage holdings of frozen fruits and berries (excluding juices) on February 29 were about 6 percent smaller than the average-sized stocks a year earlier.

COMMERCIAL TRUCK CROPS

For Fresh Market

On the basis of prospective production, prices received by farmers this spring (April, May and June) for carrots and onions grown for the fresh market are expected to average moderately lower than last year but prices for cauliflower and shallots probably will be higher. Not much change in price from that of a year ago is expected for asparagus and lettuce.

While production is not yet estimated for other crops, indications are that acreage for harvest this spring will be considerably larger than last year for early spring tomatoes, moderately smaller for late spring cabbage, and not much change in acreage for beets, spinach and watermelons.

For Processing

Prices which commercial canners and freezers will pay farmers for truck crops produced for commercial processing may average a little lower than those paid for 1951 production, as processors in general will not be seeking quite as large a volume this year compared with 1951. Exceptions probably will be cabbage for kraut, and sweet corn. Larger acreages have been suggested by USDA goals for this year, and higher prices may be necessary to get increased acreage.

Stocks of canned vegetables generally are appreciably larger than a year earlier, with the increases almost entirely in the hands of the canners rather than wholesale distributors. Likewise, current stocks of frozen vegetables held in commercial storage are considerably larger than a year earlier, with holdings increased for each item except broccoli, brussels sprouts, and sweet corn.

POTATOES AND SWEETPOTATOES

If shipments of new potatoes in May parallel the increase in acreage expected to be available for spring harvest, prices received by farmers for new potatoes this spring probably will fall about seasonally. Prices on old or 1951-crop potatoes probably will remain fairly steady until late spring at levels above those of a year earlier.

Early March reports of farmers' intentions to plant indicate the probability of slightly smaller acreage of potatoes this year than was planted in 1951. If this acreage is planted and yields by States equal the 1949-51 average, production would amount to 334 million bushels. This would be slightly larger than the 1951 crop of 326 million bushels but otherwise the smallest since 1936.

Sweetpotatoes of the 1951 crop will continue scarce and high priced. If farmers this year plant the acreage indicated by the March intentions report and if yields are about average, the 1952 crop would be 32.2 million bushels. The 1951 crop was only 28.3 million bushels. A crop of 32 million bushels probably would bring moderately lower prices to farmers than the relatively high prices received for the 1951 crop.

DRY BEANS AND PEAS

Prices received by farmers for dry edible beans this spring and early summer are expected to remain firm at about present levels or slightly higher. Whether or not prices fall seasonally in late summer and early fall, depends largely upon the prospective size of the 1952 crop. According to farmers' intentions to plant based on early March reports, there is likely to be about 1.4 million acres planted this year compared to 1.5 million planted in 1951, a reduction of 7 percent. If this acreage materializes and yields are equal to the 1946-50 average by States, production would total about 15 percent below 1951 and about the same amount below the 1952 goal. A crop of this size, would fall short of expected total demand so that carry-over stocks would be moderately lower at the end of the 1952 crop marketing year than at the beginning. Under such circumstance, the 1952 dry bean crop may be expected to result in higher prices to farmers than were obtained for the 1951 crop.

As of early March, farmers reported they intended to plant about 267 thousand acres of dry field peas, which would be 17 percent less than the 1951 acreage planted, and 47 percent below the recent 10-year average. However, with average yields, such an acreage should adequately provide for the anticipated demand for dry peas in 1952-53.

COTTON

Disappearance of cotton in the United States during the 1951-52 marketing year will probably be about 15.5 million bales, 5 percent larger than in 1950-51. This includes an estimated consumption by domestic mills of approximately 9.5 million bales and exports of about 6.0 million bales.

During February, the average daily rate of consumption was up 3.7 percent over that for January, somewhat more than the usual seasonal increase. Since August 1, domestic consumption has been running at an annual rate of about 9.5 million bales. Consumption for the year as a whole may vary as much as 300 thousand bales from this figure.

Exports from August through January were 65 percent larger than for the same period of 1950-51 and 47 percent larger than for this period in 1949-50. Exports during the remainder of the marketing year will not be as large as during the first half of the season. However, exports for the entire season are expected to be substantially larger than they were for the 1950-51 crop year.

The supply of cotton in the United States for the 1951-52 marketing season is estimated at 17.4 million bales. This includes ginnings from the 1951 crop of 15 million bales, imports of 100 thousand, and a beginning carry-over of 2.3 million. Estimates of supply and distribution indicate that the United States carry-over on August 1, 1952 may be the smallest in 26 years.

World production of cotton is now estimated at about 34.5 million bales compared with 27.7 million last year. The United States accounted for 5.1 million bales of this increase, communist countries, about 1.1 million and all other countries 600 thousand.

Consumption of cotton in non-communist countries will probably be 1 to 2 million bales smaller than in the 1950-51 marketing season. Most of this decrease is occurring in the United States and Canada. Reports indicate that consumption in the communist countries will be somewhat larger than last year. In this event, world consumption will be around 32 million bales and world carry-over stocks may increase by 2 to 3 million bales over the 11 million a year earlier.

The supply of linters in the United States is estimated at 2.0 million bales. This includes a carry-over on August 1, 1951 of 264 thousand bales, estimated production of 1.7 million, and estimated imports of 100 thousand. Disappearance of linters for the current crop year is estimated at approximately 1.6 million bales, compared with 1.5 million in 1950-51. The gain from last year is due to an estimated increase of about 133.4 thousand bales in exports over the 91.6 thousand exported last year. Consumption in 1951-52 will probably be about the same as in 1950-51--1.4 million bales. Carry-over on August 1, 1952 will probably be about 400 thousand bales, approximately 50 percent larger than a year earlier.

WOOL

Prices of wool at the Australian auctions in mid-March were from 5 to 10 percent lower, depending on grade, staple, and other factors than at mid-February.

Prices of most imported wools at Boston in mid-March were somewhat lower than those of a month earlier. For the week ending March 14, spot Australian 64's, 70's good topmaking wool was quoted at \$1.38 in bond, clean basis (American yield), compared with \$1.58 a month earlier. Quotations for domestic wools, based on very limited sales, were unchanged. Domestic territory fine staple wool was quoted nominally at \$1.60, clean basis, the same as a month earlier.

Prices received by domestic growers for shorn wool in mid-March averaged 53.0 cents per pound, grease basis, compared with 55.2 cents at mid-February and is 59.0 cents less than the record monthly average of \$1.12 of March of last year. The mid-March 1952 average price was 88 percent of parity while that of a year earlier was 199 percent of parity. The average support price for the 1952 clip will be about 54.2 cents per pound, grease basis, which is 90 percent of the March 15 parity price for wool of 60.2 cents.

Consumption of apparel wool by domestic mills during January was at a weekly rate of 5.6 million pounds, scoured basis, the lowest since early 1949. This was 7 percent below December and 28 percent below January of last year. Consumption of carpet wool during January was at a weekly rate of 2.2 million pounds, scoured basis, and compared with the weekly rates of 1.8 million pounds during December and 3.3 million pounds during January of last year.

Imports of apparel (dutiable) wools during January amounted to 20 million pounds, clean basis, about the same as in December but 10 million pounds less than in January 1951. Imports of carpet (duty-free) wool during January totaled 8 million pounds, clean basis, about 7 million pounds less than during January 1951 but the largest quantity for any month since last May.

TOBACCO

During the first 2 months of 1952, indicated domestic consumption of cigarettes was slightly above the record level in the same period of 1951. Cigarette consumption is expected to continue high throughout 1952 and domestic demand for cigarette tobacco seems likely to be strong in the coming marketing season. Farmers' intentions on March 1 indicated a 1 percent larger acreage of flue-cured than last year's harvested acreage; a 3 percent increase is indicated for Burley. These are the major kinds of tobacco used in cigarette manufacture. If flue-cured yields per acre equal the 1947-51 average, this year's flue-cured production would approximate 1,382 million pounds--4 percent less than last year's record crop. If Burley yields equal the 1947-51 average the 1952 outturn would be 592 million pounds--3 percent less than producers' sales last season. The minimum levels at which the 1952 flue-cured and Burley crops will be supported are 50.6 and 49.5 cents per pound, respectively. The actual support levels for flue-cured and Burley will be the higher of (1) the above minimums or (2) the levels computed at 90 percent of parity as of the beginning of their respective marketing years (July 1, 1952, for flue-cured and October 1, 1952, for Burley).

Marketings of all the 1951 crop of tobacco except some of the cigar types and the Maryland type have been completed. Maryland auction sales will begin on May 6. The 1951 Maryland crop estimated at 42.9 million pounds is about 7 percent above the 1950 crop. The stocks of Maryland tobacco owned by dealers and manufacturers on January 1 totaled 59.3 million pounds (farm-sales weight)--11 percent above a year earlier. Farmers'

intentions on March 1 indicated about a 2 percent decline in acreage from 1951. Most Maryland tobacco is used in domestic cigarette manufacture but exports usually account for 20 to 25 percent of total disappearance each year. Government price support operations will not be carried on during the coming auction season nor in connection with the 1952 crop, most of which will be marketed in 1953. This is in accordance with the law which provides that no price support can be made available when marketing quotas have been rejected by growers.

In January-February, consumption of smoking and chewing tobacco, and snuff held about even with that in the same period of 1951. Snuff and chewing tobacco are major outlets for fire-cured and dark air-cured tobacco. Based on farmers' intentions of March 1, prospective acreages of fire-cured tobacco are very slightly above the acreages harvested in 1951. The 1952 price support level will not be less than 37.1 cents per pound for fire-cured and not less than 33.0 cents per pound for dark air-cured. Price supports for these kinds of tobacco are computed at 75 and 66 $\frac{2}{3}$ percent respectively, of the Burley support level.

Tax-paid withdrawals of large cigars during January-February 1952 were 5 percent larger than in the same months of 1951. Based on the cigar tobacco growers' planting intentions, the 1952 acreage of Pennsylvania is indicated at 10 percent less than the 1951 harvested acreage but the Ohio types may be up about 14 percent. Cigar binder in Wisconsin is indicated at 4 percent less than last year's harvested acreage. Acreage of the Connecticut Valley Broadleaf may be up 18 percent but for Havana Seed, a 9 percent decrease is indicated. Shade-grown wrapper acreage in the Connecticut Valley is indicated at 6 percent below last year's level and in the Georgia-Florida area, may be down 2 percent.

United States exports of unmanufactured tobacco during July 1951-January 1952 totaled 388 million pounds--13 percent larger than in the same period a year earlier. Tobacco exports during 1952-53 probably will be moderately lower than the level of the current fiscal year because British takings are likely to be lower.

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